

THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

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DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

October 10, 2007

To the Honorable Senate and House of Representatives:

I am filing for your consideration a bill entitled "An Act Providing for the Public Higher Education Capital Improvement Needs of the Commonwealth." This legislation authorizes the Commonwealth to issue up to \$2 billion in general obligation bonds to fund the higher education capital needs of the Commonwealth over the next ten years.

Of this \$2 billion authorization, \$1 billion is dedicated to capital investments at our state and community colleges, and \$1 billion is dedicated to capital investments at the University of Massachusetts.

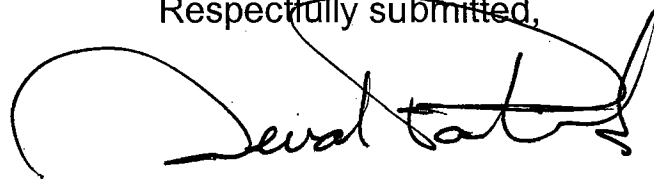
Our public institutions of higher education must have high-quality instructional and research facilities in order to offer students a world-class college education and produce the talented workforce needed for a growing and dynamic Massachusetts economy. State funding through the capital budget helps finance the construction and maintenance of these facilities, while keeping the price of a college education affordable for students.

The Commonwealth can afford to make this 10-year, \$2 billion investment in our higher education institutions. Based on the Administration's five-year capital investment plan and the related debt affordability analysis published in August, \$750 million has been budgeted for capital improvements at the University of Massachusetts and our state and community colleges over the next five years. By 2012, planned state-funded higher education capital investments of \$200 million will represent 10% of the state's total bond-funded

capital programs, compared to 3% in fiscal year 2007. It is my expectation that this 2012 level of capital investment for higher education will be the minimum annual amount invested over each of the subsequent five years.

In light of the urgent need to begin to reverse decades of underinvestment in our higher education facilities, I respectfully request that you take prompt action to enact this bill.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David L. Tate". The signature is written in a cursive style with a large, sweeping initial "D" and a long, horizontal stroke extending to the right.



The Commonwealth of Massachusetts

IN THE YEAR TWO THOUSAND **SEVEN**

AN ACT

PROVIDING FOR THE PUBLIC HIGHER EDUCATION CAPITAL IMPROVEMENT NEEDS OF THE COMMONWEALTH.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to provide forthwith for the public higher education capital improvement needs of the commonwealth, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. To provide for a program of capital improvements to public higher education institutions of the commonwealth to provide support for these institutions in carrying out their educational missions and to enhance regional economic development through their educational initiatives, the sums set forth in section 2 of this act, for the several purposes and subject to the conditions specified in this act, are hereby made available, subject to the laws regulating the disbursement of public funds, which sums are in addition to any other amounts previously appropriated for these purposes.

SECTION 2.

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

Division of Capital Asset Management and Maintenance

7066-8000

For costs associated with planning and studies, dispositions, acquisition of land and buildings and interests therein by purchase or by eminent domain under chapter 79 of the General Laws, for the preparation of plans and specifications, repairs, construction, renovations, improvements, maintenance and repair, asset management and demolition at state and community college campus facilities and grounds; provided that all projects approved for design and construction by the division of capital asset management and maintenance are consistent in priority and need with regional master plans developed by the division of capital asset management and maintenance in consultation with the presidents of the state and community colleges and approved by the board of higher education; provided further, that all maintenance and repair work funded in this item shall be included in the capital asset management information system (CAMIS) administered by the division of capital asset management and maintenance; provided further, that not less than \$1,000,000 shall be expended on the sealing of building envelopes at Berkshire Community College; provided further, that not less than \$23,000,000 shall be expended for the renovation of Hawthorne and Melville Halls at Berkshire Community College; provided further, that not less than \$18,700,000 shall be expended for the modernization of

Science Building “E” at Bristol Community College; provided further, that not less than \$25,300,000 shall be expended for the modernization of the Siegel Health Technologies Building at Bristol Community College; provided further, that not less than \$19,000,000 shall be expended for campus modernization and renovation projects at Bunker Hill Community College, including Building “B”, and a new campus entrance; provided further, that not less than \$300,000 shall be expended on an accessibility, traffic, and parking study at Cape Cod Community College; provided further, that not less than \$36,000,000 shall be expended for a new science building at Cape Cod Community College; provided further, that not less than \$25,000,000 shall be expended for the renovation and modernization of the Campus Core Building and construction of a new maintenance building at Greenfield Community College; provided further, that not less than \$4,750,000 shall be expended for renovation of existing academic and student support spaces at Holyoke Community College; provided further, that not less than \$20,300,000 shall be expended for the renovation of Building “G” at Holyoke Community College; provided further, that not less than \$22,100,000 shall be expended for a new allied health academic facility at Massachusetts Bay Community College; provided further, that not less than \$22,400,000 shall be

expended for a new allied health and sciences building at Massasoit Community College; provided further, that not less than \$10,100,000 shall be expended for a new general academic building at Middlesex Community College in Lowell; provided further, that not less than \$7,200,000 shall be expended for a new performing arts center at Middlesex Community College in Lowell; provided further that not less than \$24,000,000 shall be expended for a new general academic building at Middlesex Community College in Bedford; provided further, that not less than \$5,500,000 shall be expended for reconstruction and improvements to parking lots at Mount Wachusett Community College; provided further, that not less than \$37,900,000 shall be expended for the modernization of the Haley Academic Center at Mount Wachusett Community College; provided further, that not less than \$29,900,000 shall be expended for a new allied health building at North Shore Community College in Danvers; provided further, that not less than \$21,500,000 shall be expended for a new allied health building at Northern Essex Community College in Lawrence; provided further, that not less than \$18,100,000 shall be expended for a new general academic building at Quinsigamond Community College; provided further, that not less than \$2,300,000 shall be expended for a new maintenance and receiving facility at

Quinsigamond Community College; provided further, that not less than \$20,000,000 shall be expended for major renovation and modernization projects at Roxbury Community College, including improvements to the Academic Building and the Media Arts Building; provided further, that not less than \$300,000 shall be expended for the sealing of building envelopes and study of the building systems and repairs at Springfield Technical Community College; provided further, that not less than \$33,200,000 shall be expended for the stabilization and renovation of Building 19 at Springfield Technical Community College; provided further, that not less than \$88,200,000 shall be expended for the Conant Science Center modernization and addition at Bridgewater State College; provided further, that not less than \$24,700,000 shall be expended for a new science center at Fitchburg State College; provided further, that not less than \$21,900,000 shall be expended for the renovation of Condike and Sanders Halls at Fitchburg State College; provided further, that not less than \$51,000,000 shall be expended for the expansion, modernization and improvement of Hemenway Hall Science Center at Framingham State College; provided further, that not less than \$25,000,000 shall be expended for the Center for Design Innovation at Massachusetts College of Art and Design; provided further, that not less than

\$22,800,000 shall be expended for renovation and expansion for a new Center for Science and Innovation in Bowman Hall at Massachusetts College of Liberal Arts; provided further, that not less than \$17,100,000 shall be expended for the modernization of the library at Massachusetts Maritime Academy; provided further, that not less than \$41,400,000 shall be expended for the modernization of the library at Salem State College; provided further, that not less than \$23,100,000 shall be expended for a new academic building at Westfield State College; provided further, that not less than \$24,000,000 shall be expended for the modernization and improvement of the health science and athletic center at Worcester State College; provided further, that costs payable from this item include, but are not limited to, the costs of engineering and other services essential to these projects rendered by division of capital asset management and maintenance employees or by consultants; and provided further, that amounts expended for division employees may include the salary and salary-related expenses of these employees to the extent that they work on or in support of these projects..... \$1,000,000,000

7100-1000

For costs associated with planning and studies, dispositions, acquisition of land and buildings and interests therein by purchase or by eminent domain

under chapter 79 of the General Laws, for the preparation of plans and specifications, repairs, construction, renovations, improvements, maintenance and repair, asset management and demolition at the University of Massachusetts campus facilities and grounds; provided, that all projects approved for design and construction by the division of capital asset management and maintenance are consistent in priority and need with a master plan approved by the University of Massachusetts president's office and by the board of trustees of the University of Massachusetts; provided further, that all maintenance and repair work funded in this item shall be included in the capital asset management information system (CAMIS) administered by the division of capital asset management and maintenance; provided further, that not less than \$85,000,000 shall be expended for a new academic classroom building at the Amherst campus; provided further, that not less than \$100,000,000 shall be expended for a new laboratory science building at the Amherst campus; provided further, that not less than \$12,600,000 shall be expended for repairs to Machmer Hall at the Amherst campus; provided further, that not less than \$41,250,000 shall be expended for repairs and renovations to Lederle Research Center at the Amherst campus; provided further, that not less than \$51,300,000 shall be

expended for repairs and renovations to Morrill Science Center at the Amherst campus; provided further, that not less than \$25,000,000 shall be expended for the stabilization of the campus substructure and alternate parking improvements at the Boston campus; provided further, that not less than \$100,000,000 shall be expended for the construction of a new academic building at the Boston campus; provided further, that not less than \$8,000,000 shall be expended for renovations and infrastructure repairs to the library at the Dartmouth campus; provided further, that not less than \$11,000,000 shall be expended for building and retrofitting of vacated spaces at the Dartmouth campus; provided further, that not less than \$6,000,000 shall be expended for classroom space upgrades at the Dartmouth campus; provided further, that not less than \$2,100,000 shall be expended for air conditioning improvements to facilities at the Dartmouth campus; provided further, that not less than \$30,000,000 shall be expended for major infrastructure repair projects at the Dartmouth campus; provided further, that not less than \$26,000,000 shall be expended for a new south academic building at the Lowell campus; provided further, that not less than \$10,000,000 shall be expended for the north quad modernization at the Lowell campus; provided further, that not less than \$9,000,000 shall be expended for repairs, renovations,

and improvements to the Institute of Plastics Innovations Building at the Lowell campus; provided further, that not less than \$1,500,000 shall be expended for storm water management at the Lowell campus; provided further, that not less than \$2,500,000 shall be expended for renovations to Olney Hall at the Lowell campus; provided further, that not less than \$43,500,000 shall be expended for repairs, renovations, and improvements to buildings, systems and other facilities at the Medical School in Worcester; provided further, that not less than \$8,500,000 shall be expended for improvements to the Medical School's Shriver Center facility in Waltham; provided further, that costs payable from this item include, but are not limited to, the costs of engineering and other services essential to these projects rendered by division of capital asset management and maintenance employees or by consultants; and provided further, that amounts expended for division employees may include the salary and salary-related expenses of these employees to the extent that they work on or in support of these projects \$1,000,000,000

SECTION 3. To meet the expenditures necessary in carrying out section 2, the state treasurer shall, upon request of the governor, issue and sell bonds of the commonwealth in an amount to be specified by the governor from time to time but not exceeding, in the aggregate, \$2,000,000,000. All these bonds issued by the commonwealth shall be

designated on their face, Public Higher Education Capital Expenditure Act of 2007, and shall be issued for a maximum term of years, not exceeding 30 years, as the governor may recommend to the general court under section 3 of Article LXII of the Amendments to the Constitution. All these bonds shall be payable not later than June 30, 2047. All interest and payments on account of principal on these obligations shall be payable from the General Fund. Bonds and interest on bonds issued under this section shall, notwithstanding any other provisions of this act, be general obligations of the commonwealth.

SECTION 4. Section 1 of chapter 703 of the acts of 1963 is hereby amended by striking out paragraph (b), as appearing in section 1 of chapter 290 of the acts of 1998, and inserting in place thereof the following paragraph:-

(b) "Trustees", the board of higher education established by section 4 of chapter 15A of the General Laws or, if that board shall be abolished, the board, body or commission succeeding to the principal functions of that board or to which the powers given by chapter 15A with respect to public institutions of higher education shall be given by law.

SECTION 5. Paragraph (e) of said section 1 of said chapter 703, as appearing in section 2 of chapter 800 of the acts of 1985, is hereby amended by inserting after the words "structures", in line 17, the following words:-

, including buildings or structures owned by the commonwealth,

SECTION 6. The second paragraph of section 2 of said chapter 703, as appearing in section 4 of chapter 800 of the acts of 1985, is hereby amended by striking out the seventh and eighth sentences.

SECTION 7. Said section 2 of said chapter 703 is hereby further amended by striking out the final paragraph and inserting in place thereof the following paragraph:-

Chapter 268A of the General Laws shall apply to all members, officers and employees of the Authority.

SECTION 8. The first paragraph of section 7 of said chapter 703, as appearing in section 3 of chapter 290 of the acts of 1998, is hereby amended by striking out the words “; and provided further, that the Authority shall not issue bonds and notes other than those guaranteed by the commonwealth under said section 10, the principal amount of which, when added to the principal amount of bonds and notes other than those guaranteed by the commonwealth under said section 10 theretofore issued and then outstanding hereunder, excluding bonds and notes previously refunded or being or to be refunded thereby, shall exceed in the aggregate the amount of \$500,000,000”.

SECTION 9. The fourth paragraph of said section 7 of said chapter 703, as appearing in section 10 of chapter 800 of the acts of 1985, is hereby amended by striking out, in the second sentence, the words “but not”.

SECTION 10. The first paragraph of section 18A of said chapter 703, as inserted by section 5 of chapter 290 of the acts of 1998, is hereby amended by striking out the first 3 sentences and inserting in place thereof the following 2 sentences:-

To provide for the expenses of the Authority and for the payment of indebtedness incurred by it in carrying out this act, the trustees may, in the name and on behalf of the commonwealth, in connection with any financing or refunding provided by the Authority, or in connection with any transfer to the Authority of buildings or other property under section 5, transfer or pledge that they will periodically transfer to the Authority, or any other state college affiliate under terms permitting further transfer or pledge to the Authority, (i) any part or all of any non-appropriated funds or revenues legally available to a state college, including without limitation tuition, fees and other charges, and (ii) any part or all of any funds made available for expenditure by or on behalf of a state college under an appropriation made by the general court or otherwise available for expenditure by the trustees, but if amounts described in clause (i) have been pledged as security for a financing, those amounts shall be exhausted before amounts described in clause (ii) shall be available for this purpose, and amounts described in clause (ii) may be used only to prevent a default by the Authority in connection with indebtedness incurred by the Authority on behalf of the applicable state college. The trustees may contract with the Authority or any other state college affiliate to permit further transfer or pledge of such amounts by the Authority to a trustee under a trust agreement entered into by the Authority, but in the case of any funds

expected to be available for expenditure by the trustees under subsequent appropriation or other spending authorization by the general court, the trustees may only pledge that they will transfer these funds subject to that subsequent appropriation or other spending authorization.

SECTION 11. Notwithstanding any general or special law to the contrary, the unexpended and unencumbered balances of the bond funded authorizations in the following accounts shall cease to be available for expenditure: 1102-0890, 1102-0961, 1102-0964, 1102-9897, 2000-1962, 7066-2010, 7100-0001, 7109-0961, 7109-0962, 7109-7893, 7110-0960, 7112-0960, 7112-0961, 7113-0960, 7114-0960, 7114-0961, 7115-0960, 7115-0961, 7116-0960, 7117-0960, 7118-0960, 7118-0961, 7118-7962, 7220-0960, 7220-0961, 7220-7893, 7220-7894, 7310-0960, 7410-7960, 7411-7960, 7452-7960, 7452-7961, 7452-7963, 7452-7964, 7452-7965, 7502-0960, 7503-7960, 7503-7892, 7504-7960, 7504-7961, 7505-7960, 7506-7961, 7506-7962, 7507-7960, 7508-0960, 7509-7960, 7510-7960, 7510-7961, 7511-7960, 7512-7960, 7512-7961, 7514-7960, 7514-7961, 7516-7960.

SECTION 12. Section 11 of this act shall take effect 90 days after the passage of this act.